

Regulatory Reform Commission meeting

Commission Members Present

- Co Chairs (Abba, Jim), Jay Steinmetz, Jay Baldwin, Suzie Ganz, Bill Grant, Blackie Bowen, Jim Brady

10:07am - Call to Order (Jim Soltez)

Introductions - Commission Members

Opening Remarks (Co-Chairs)

Meeting Minutes from 9/17 approved

Section I - Elected Officials

County Executive Barry Glassman

(He will send remarks electronically)

Business Appreciation Week in Harford County

Specific Issues--

Stormwater Management Review Process - slows expansion

- Currently a 3-step process, adds a month or more
- Prior regulations were easier
- Send in initial comments, need to send it in again, final submission, required to send comments again. Process seems unnecessarily duplicative.
- If a plan could be used for multiple lots, would speed up the review process and reduce costs.
- Grandfathering of existing projects. 2017 deadline, project needs to be redesigned if it cannot meet this deadline. Should consider moving the deadline.

Building Code / Energy Efficiency Code

- State mandate. County needs flexibility to develop equivalencies, as long as it does not go below national standards.
- Food truck - regulations more burdensome than opening a restaurant

He reiterated that he will send these items in more detail electronically

Jim Brady - who would food truck guy be interfacing with in state gov't?

A: State Fire Marshall; required to install a fire suppression system that is same as fire extinguisher.

Jim Soltez - MDE is the agency responsible for stormwater?

A: Yes. The biggest issue is with the three-tier review process.

Stormwater restoration projects - sometimes there's not a stream project in the area, they would like the flexibility to go somewhere else to do a restoration project.

Jim Soltez - this would be mitigation to move fwd with development, correct?

A: yes

County Executive Tari Moore

She offered some concrete micro and macro examples

(1) Fire Suppression Systems - sprinklers - includes mobile homes. Retrofitting needed. Cost is huge in rural areas. Adds substantial cost to price of a home.

(2) Septic - BAT technology - costs additional \$15-\$20k. Zero ROI

(3) Stormwater – if disturb more than 5,000 ft² = triggers requirement for a stormwater plan = additional \$200,000. Could not open business in a timely manner.

(4) Flexibility at local level. Chesapeake Fire Company wanted to hook up newer infrastructure, took over a year for State approvals.

Jim Brady - are you familiar enough with project to provide particulars?

A: Regulatory process w/ MDE

Jim Soltez - septic systems

A: growth corridor - rural want to keep septic systems

Bill Shore - Kent County Commissioner

(Advised he will send remarks electronically)

(1) Wind Turbines - up to 700' tall

Local control taken away (anything exceeding 70/700 Megawatts) due MCOA decision

DO NOT LIKE WIND TURBINES

Jim Brady - can Public Service Commission mandate without local approval?

A: yes

Still going through process.

(2) Natural Gas - PSC regulations say can only build for what's there, no potential for growth and economic development. FERC

Bill Grant - is it a question of can/can't build?

A: yes, cannot build gas line. potential to reduce cost 20-30%

(3) BAT - critical areas, agrees with this policy. 2,000 homes on public well and septic. Large amount of homes on septic. Gave example of selling home, add bedroom to increase value, regulations said he needed to install BAT system = \$16,000 add'l cost

(4) 301 Corridor Expansion -

Jim Soltez – re: house expansion - old technology no longer acceptable, expansion cost

Commissioner Jim Moran - Queen Anne's County Commissioner

(1) Wind Turbines – will 67 years to break even (investment cost vs. ROI)

(2) Priority Funding Areas (PFA) - three areas of suggested changes (MDP)

- Had to come to county to process, took 10 years to get project back on
- Municipalities that annex land - land should automatically be a PFA. PFA is a state designation, gives access to state resources. Part of a clearing house checklist.
- All designated growth areas be automatically designated PFAs.

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Bill Grant – Number of designated growth spots grows too big. What is the test?

A: 3.5 units or more, public infrastructure, designated growth area. It's a comprehensive review process before it gets to MDP

Jay Baldwin - What happens to the comment areas?

A: Need to go back to the Smart Growth Commission and work it out. Local Authority, request something to be a PFA, it's in a growth corridor and meets other conditions. State projects should be exempted. Could be streamlined.

Jim Brady - project that took 10 years.

A: part of it was budgetary, HURs, they didn't finish design.

Jim Brady - how much of the delay was due to final design not being in place?

Requested repeal of septic bill, or make it non-mandatory. Maryland had a long history of local planning law – gave an example of removing local planning authority. 88% of county's growth, bill restricts what can be done in local area. This will result in downzoning. Average size of farm is 350 acres. Largest producer of soy bean.

Bill Grant - asked about defining downzoning.

A: Currently one unit per 8 acres. Cannot build more than seven units without building a shared septic system

Critical Area Act - 2008 update gave regulatory authority to Critical Area Commission, enforcement authority to local jurisdiction.

Examples:

- little flexibility in resources conservation area
- buffer management plans - farmer wants to create a 5 acre lot for son/daughter, requires buffer for entire farm

Section II of Agenda - small business advocates

Steve Kendrick - Father Martin's Ashley

(1) Certificate of Need Process - July 2011 - still working on getting building open.
Spent \$600,000 on legal and consulting fees -- went to change COMAR regs.

- COMAR process punitive, delays business being open, delays providing care for people who need it.
- They need to build a new facility. comar requires expansive financial info to be submitted. 15% charity care to indigent only = old fashioned. most patients today need some sort of supplemental assistance. Commented on Maryland Health Care Commission. Parity Act (passed in 2008).

Jim Soltez - other states you worked in, do they have Certificate of Need?

A: many do, some don't. PA does not. They published an article saying they will help a treatment center open in two weeks

Jay Steinmetz - should these items be removed from COMAR?

A: modified at least. 15% should be removed.

Jim Brady - have these issues surfaced at the Heroin TF meetings?

A: Yes.

Jim Soltez - how long have you been in business?

A: 32 years

Jim Soltez - Certif. of Need process requires someone else look at your books and decide you're ready to move forward.

A: yes

Abba Poliakov - what is the reimbursement from the State?

A: none

Abba Poliakov - what is the average stay?

A: did not know

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- (2) MDE - cost to convert to private wastewater treatment plant over \$1m. Delayed. Back to the Septic Issue - some sort of fast track. Pumping old effluent into old system, has taken 3 years to get approvals.

Jim Soltez - time req'd to get approval has been the issue.

A: yes, time and process.

Jim Brady - reasons for delay?

A: Bureaucracy, people not being responsive. He feels he has had to fight through the approval process.

Charlotte Mack -

Issues encountered to address heavy utilizers of services. Vast majority had addiction or mental health issues. Developed a plan to engage these individuals. Department of Health Care Quality was very helpful. Summarized poor issues:

- Impediments with DHMH. Urine drug screens, breathalyzer, and other lab testing. Obtaining lab permits unbelievably difficult. Contacted Senator Cassilly, had two permits within two days. Couldn't find application (Office of Health Care Licensing within DHMH). Failed to inform them they needed to be open prior to inspection.
- Medicaid. Required to hire a psychiatrist at \$300,000/yr. 7-year experience factor should be eliminated. PA has different requirements.
- Medicaid. Required to have a clinical supervisor approved by DHMH.
- PA (heroin/drug addiction). Published that they have a two-week process. Maryland should establish an internet portal that distributes info. to all required State entities.
- DEA/State don't talk. They don't inspect until state inspects. State will tell them, but they don't.
- Treatment Centers in Baltimore, doing "daily dosing" but not properly licensed.

Jay Steinmetz – asked if she help us identify the type of research other states' best practices.

Dr. Mariana Isrealson (sp?)

- Submitted applications in May to become Medicaid provider and still have not been approved. Received Letter on August 17 welcoming on becoming a Medicaid Provider. They had not processed application, only processed one of two. Need both.
- Review procedures to obtain Medicaid approval for treatment for substance abuse disorders.

Kevin Attics (sp?)

Discussed value added agriculture (Maryland wine, beer, spirits).

Examples of very good regulatory agencies:

- Comptroller, MD Dept. of Agriculture

Two issues encounter the most:

(1) Need for local agencies to create an equivalency.

Fire suppression system, septic-- stalls the project.

Baltimore County permitted above ground containment tank.

Carroll County - composting toilet, incinerating toilet (hot pot)

Fire suppression. 150 year old barn, wine tasting, still need to hang fire exit signs even though no doors. Fire suppression system needed in 200 year old barn without doors.

Solution: encourage state agencies who oversee locals to create an ombudsman or a guide. health code, permitting code do not vary.

(2) Varying interpretations county-by-county. Local jurisdictions loathe making exceptions.

Jim Soltez - the ability of state agencies to provide flexibility isn't as good as it can be?

A: hit or miss. bread and hard cheese - no problem; bread and soft cheese - need a grease trap.

Jim Soltez - general terms, it's a growing industry. Flexibility of regs vs. intense scrutiny leaves no other options?

A: yes. not cookie-cutter businesses

--Remarks by Lt. Governor Rutherford--

In many cases - it's the interpretation of the regulation that is the challenge, which is a customer service issue, assisting businesses as opposed to just saying no. We cannot stand in the way of growth and opportunity.

Joseph Anunzio

His business has been operational for over a hundred years. He discussed the differences between doing business in Delaware vs. MD. Cost cannot outweigh the benefits - includes timeliness in the process. Need for flexibility. Don't let perfect be the enemy of the good.

Example: November 2013. Development with 86 manufactured homes. PSC approval done years before. Groundwater Allocation permit expired in 2013. Asked MDE to have the permit restored. COMAR dictated that this was not a simple process. Maryland Rules - more than 10,000 gallons per day need an aquifer study (\$21,500 cost). 1 year. Delaware: less than 50,000 gallons per day - don't need the study.

PSC requires approvals not required in Delaware (more time lost).

Need Flexibility, and streamlined processes.

Josh Brown

Owns a hardware store in Elkton, been in business since 1924.

DHMH: required him to post signs to wash hands (sells bag chips). Makes business "not fun"

MOSH: supersedes OSHA. Vacuum cleaners - stamped for commercial use only.

PVC glue - rules changed, \$8,000 worth of glue, forced to donate to Habitat in DE.

Abba Poliakov - asked Josh to take time to jot specific issues down and make comments through web site.

License / Sub-Licensee.

Linda Williams - Executive Director of _____

DHMH. Need to confirm what Father Martin's Ashley was saying about Heroin.

Application review for grant processes needs to be reviewed. 4/17 grants have been okayed.

Jay Duessen (sp?)

Very bureaucratic place to live. Chamber of Commerce board. Owns a construction company.

- Three year process, felt like being treated like a prisoner, invested \$2m. Developed a 2-1/2 acre parcel, required to treat 100% impervious surface. Why do they need to treat roof? Organic sand (\$90/yard). Mulch, MDE said to put stone on top of mulch. what happens when mulch goes bad?
- Only bike lane in hickory. MDOT/SHA requires bike lane whether or not any other bike lanes exist. Had to move three telephone poles 9". Need to post a bond for 150% of cost of project.
- Access Permit Process (MDOT/SHA) *big sigh*. County won't issue the access permit.
- Failed to get return calls from State. "Build Maryland" - no call back.
- Bonding- Sediment control, etc. Access Permit wouldn't be processed, resulted in loss of bond, had to re-issue bond (another \$15,000).
- Striping bike lane. Reflectonometer \$5,000 (versus painting)
- BAT regs. 20 miles away from Bay. Cleaning agents kill nitrogen. Filling yard with pure methane.
- Smart Growth:

Jay Steinmetz: asked for him to submit electronic comments

A: Lead Paint laws - very restrictive - anything built prior to 1977.

Jim Soltez: asked for comments on Access Permits. Re: bike lanes - confirmed that no one can waive the bike lane requirements.

A: previous administration.

- MDE: denied building 22 parking spaces. It's a property rights issue. He discussed the State getting right to access his property regarding stormwater.

Blackie Bowen - is there some logic to limiting parking area?

A: no logic. rules interpreted by county employees who are not engineers. guidelines come from MDE. Spent \$300,000 on stormwater regs doesn't increase property value

Valerie Hope

Annual Growth Report

Jim Soltez - asked her to let her members know about RRC.

Jim Brady - this Commission getting things done. Let her members and companies know this group is anxious to change things. RRC needs their comments.

Lisa Webb - Cecil County Economic Development Organization

- SHA. They had a project that was stalled for years because of SHA, but new Administration has helped move it along
- Discussed Sales Tax issue and competition
- LLC license is \$300/yr (used to be \$30)
- Third most active patent county in state *per capita*.

Jamie Gilbert - Queen Anne's County

- Has experience in Georgia + SC, and can compare those experiences with Maryland.
- QA County - they care about land, environment.
- Customer Service, how businesses are treated.
- Wants businesses to feel welcomed, appreciated.

Christian Wilson - Harford County Chamber of Commerce

- Environmental, business licensing, tourism, etc. They represent small businesses.
- Reconstructive/deconstructive with regard to expanding government
- Periodic Review of regulatory agencies.

Abba Poliakov - suggested his members specific regs burdensome to business.

A: Hot dog man - three basins (because regs say so).

Jay Steinmetz - yelp account for government.

Tim Gafney

Boater. Wants to do the Great Loop. Regulation requires some sort of sales tax if they stay longer than 90 days.

Section III -- Public Comment

Chip Harry.

Small business owner (ice cream store, burger place, coffee shop). Harford County Regulations onerous.

Lt. Governor Rutherford provided closing comments.

1:19pm Adjourned.